

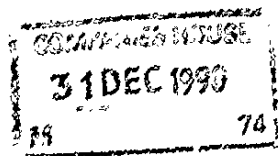
REGISTRAR OF COMPANIES

2096000

Acorn Sportswear Limited
Year ended 31st December 1989

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Acorn Sportswear LimitedREPORT OF THE DIRECTORSFor the year ended 31st December 1989

The Directors present their annual report on the affairs of the Company, together with the Accounts and Auditors' Report for the above year.

1 RESULTS AND DIVIDENDS

The net profit of the Company for the year was £761 (loss £1808). The Directors recommend that this be added to the retained earnings at the beginning of the year and that the balance of £(5708) be carried forward. The Directors do not recommend the payment of a dividend.

No goods were exported from the United Kingdom during the year.

2 REVIEW OF THE BUSINESS

The Company's principal activity during the year was the manufacture and sale of leisure clothing.

3 DIRECTORS

The Directors of the Company during the year and their beneficial interests in the issued share capital of the Company at the beginning and end of the year were:

	<u>Ordinary Shares of £1 each</u>	
	<u>31st Dec 1989</u>	<u>31st Dec 1988</u>
G R C Craven	10000	10000
Mrs J Wilde	Nil	Nil
Miss A Shaw (resigned 1.7.89)	-	750

5 POLITICAL AND CHARITABLE DONATIONS

No political or charitable donations were made during the year.

6 STATUS

The company is a close company under the provisions of the Taxes Acts.

7 AUDITORS

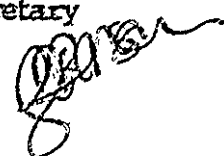
A resolution will be proposed at the Annual General Meeting to re-appoint the Auditor, S L Williams, who has expressed a willingness to continue in office.

12 DEC 1989

Date

BY ORDER OF THE BOARD
C. G. A. PROFESSIONAL SERVICES LTD.

Secretary



Report of the Auditor
to the members of
Acorn Sportswear Limited

I have audited the Accounts set out on pages 1 to 9. My audit was conducted in accordance with the auditing standards, having regard to the matters referred to in the following paragraph.

In common with many other companies of a similar size the Company's internal control procedures are limited and dependent on the close involvement of the Directors, who are also shareholders. Where independent confirmation of the completeness of the records was not available, I have accepted assurances from the Directors that all of the Company's transactions have been reflected in the records. In particular I have relied on the directors valuation of stock and work in progress in the sum of £40966.

Subject to the foregoing, in my opinion the Accounts give a true and fair view of the state of the Company at 31st December 1989 and of its profit and source and application of funds for the year then ended and comply with Section 236 (2) of the Companies Act 1985.

A. L. Williams

S L Williams
Chartered Accountant

7th November 1990

Acorn Sportswear LimitedPROFIT AND LOSS ACCOUNTYear ended 31st December 1989

	<u>Notes</u>	£	£
Turnover	2	244788	202883
Cost of Sales		185150	160863
GROSS PROFIT		<u>59638</u>	<u>42020</u>
Administration Costs		<u>58879</u>	<u>43829</u>
OPERATING PROFIT/(LOSS)	3	<u>759</u>	<u>(1809)</u>
Income from Investments:			
Bank interest received		<u>2</u>	<u>1</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES		<u>761</u>	<u>(1808)</u>
TAXATION	5	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE YEAR		<u>761</u>	<u>(1808)</u>
ACCUMULATED LOSSES			
Brought forward		<u>(6469)</u>	<u>(4661)</u>
Carried forward		<u>£ (5708)</u>	<u>£ (6469)</u>

Acorn Sportswear LimitedBALANCE SHEETAs at 31st December 1989

	<u>Notes</u>	£	£	£	£
FIXED ASSETS	7				
Intangible Assets		2800		2800	
Tangible Assets		26512		24983	
			29312		27783
CURRENT ASSETS					
Stock and Work-in-Progress	8	40966		27695	
Debtors	9	21062		13171	
Cash at Bank and in Hand		45		43	
		62073		40909	
CREDITORS					
Amounts due within one year	10	76176		48518	
NET CURRENT LIABILITIES			(14103)		(7609)
TOTAL ASSETS LESS CURRENT LIABILITIES			15209		20174
CREDITORS	10				
Amounts due in more than one year			5917		11643
			£ 9292		£ 8531
CAPITAL AND RESERVES					
Share Capital	11	15000		15000	
Profit and Loss Account		(5706)		(6469)	
			£ 9292		£ 8531

.....) *(Signature)*
) *(Signature)* DIRECTORS
) DATE

Statement of Source and Application of FundsYear ended 31st December 1989

	£	£
TRADING SOURCE OF FUNDS		
Net Profit Before Taxation	761	(1808)
Adjustment For Items Not Involving The Movement of Funds:		
Depreciation	5968	4555
	<u>6729</u>	<u>2747</u>
OTHER SOURCES OF FUNDS		
Sales of fixed assets	-	2100
Directors' loans	-	798
	<u>6729</u>	<u>5645</u>
APPLICATION OF FUNDS		
Purchase of Fixed Assets	7497	11956
Repayment in Directors' Loans	5419	-
Loan repayments	-	987
	<u>12916</u>	<u>12943</u>
Increase in Working Capital	<u>£ (6187)</u>	<u>£ (7298)</u>
INCREASE/(DECREASE) IN WORKING CAPITAL		
Stock and Work In Progress	13271	14959
Debtors	7891	6877
Creditors	(16599)	(22854)
Movement in Net Liquid Funds:		
Bank Balances & Cash Funds	(10750)	(6280)
	<u>£ (6187)</u>	<u>£ (7298)</u>

Acorn Sportswear LimitedNotes to the AccountsYear ended 31st December 19891 ACCOUNTING POLICIES

- a. The Accounts have been prepared under the Historic Cost Convention.
- b. Turnover represents the net amount of invoices to customers less credit notes for goods returned, excluding VAT.
- c. Depreciation is provided on the tangible assets in equal instalments over their estimated lives. The following rates apply :-

Vehicles	20%
Plant and Equipment	20%
Fixtures & Fittings	10%

- d. Stock and work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure.
- e. No provision for deferred taxation is necessary in view of the accumulated losses.

2 TURNOVER

The turnover and profit (1988 -loss) before taxation is attributable to the Company's principal activity, namely, the manufacture of leisure garments.

3 OPERATING PROFIT

The operating profit (1988 - loss) is stated after charging :

	£	£
Depreciation of Tangible Fixed Assets	5968	4555
Directors' Remuneration (including NIC)	19315	14672
Directors' pension scheme	2151	600
Auditor's fee	500	500
Bank interest	2752	1135
Loan interest	20	678
	XXXXX	XXXXX

4 STAFF COSTS

	£	£
Wages and salaries	54865	48091
National Insurance costs	4374	4557
	<u>59239</u>	<u>52648</u>

The average weekly number of employees during the year was as follows :

Office and Management	2	2
Production and Sales	6	8

Acorn Sportswear LimitedNotes to the AccountsYear ended 31st December 19895 TAXATION

The Company has no liability to Corporation Tax

6 DIRECTORS' REMUNERATION

	£	£
Highest Paid Director	<u>10600</u>	<u>7420</u>
	<u>No.</u>	<u>No.</u>
Others: £Nil - £5,000	nil	1
£5,001 - £10,000	<u>1</u>	<u>1</u>

7 FIXED ASSETS

a. <u>Intangible Assets</u>	Cost at Start £	Additions £	Amort- isation £	Net Book Value £
Goodwill	2800	-	-	2800
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
b. <u>Tangible Assets</u>	Freehold Property £	Leasehold Property £	Vehicles & Equipment £	Total £
COST:				
At 1st January 1989	-	-	31662	31662
Additions during year	-	-	7497	7497
	<u>-</u>	<u>-</u>	<u>39159</u>	<u>39159</u>
DEPRECIATION:				
At 1st January 1989	-	-	6679	6679
Charge for Year	-	-	5968	5968
	<u>-</u>	<u>-</u>	<u>12647</u>	<u>12647</u>
NET BOOK VALUE				
At 31st December 1989	<u>-</u>	<u>-</u>	<u>26512</u>	<u>26512</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st December 1988	<u>-</u>	<u>-</u>	<u>24983</u>	<u>24983</u>

At 31st December 1989 there were no capital commitments.

Acorn Sportswear LimitedNotes to the AccountsYear ended 31st December 19898 STOCKS

Stock and work in progress	£ 40966	£ 27695
	<u> </u>	<u> </u>

9 DEBTORS

	£	£
Amounts due within one year:-		
Trade debtors	20545	12744
Prepayments	517	427
	<u>£ 21062</u>	<u>£ 13171</u>

10 CREDITORS

	£	£
Amounts due within one year:-		
Trade creditors	27757	22859
Taxation and Social Security	14916	10347
Accruals	3715	3920
Value Added Tax	8679	1035
Bank overdraft	21109	10357
	<u>£ 76176</u>	<u>£ 48518</u>

Amounts due after more than one year:-

Director's loan accounts	132	5551
Secured loan	3000	3307
Unsecured loan	2785	2785
	<u>£ 5917</u>	<u>£ 11643</u>

Acorn Sportswear LimitedNotes to the AccountsYear ended 31st December 198911 CALLED UP SHARE CAPITAL

	£	£
Authorised:	15000	15000
Allotted, Issued and Fully Paid	15000	15000

12 CONTINGENT LIABILITY

There are no contingent liabilities.

13 TRANSACTIONS WITH DIRECTORSa. Loans to Directors

No loans were made to any of the Director's during the period.